



United States Fish & Wildlife Service

DO NOT REPLY TO THIS ADDRESS - SEE MESSAGE FOR CONTACT INFO!

Memorandum

07/26/2005

From AD - Budg, Planning & Hum Res
Title TSP Catch Up Contributions

The President signed Public Law 107-304 on November 27, 2002, enabling eligible Thrift Savings Plan participants to make tax deferred catch-up contributions from their basic pay to their TSP accounts. These contributions are in addition to the regular employee contributions and do not count against the contribution percentage limit or the annual limit for tax deferred contributions (\$12,000 for 2003). The catch-up contributions have their own annual limit, \$2,000 for 2003; \$3,000 for 2004; \$4,000 for 2005; and \$5,000 for 2006 and thereafter. There is no agency matching element for catch-up contributions.

To participate in the catch-up contribution program you must meet the following criteria:

Must be 50 years or older during the year of the contribution (even if your birthday is December 31, of that year),

- Must be in a pay status,
- Must already be making the maximum allowable contributions to the TSP, and
- Cannot be in the 6-month non-contribution period following the receipt of a financial hardship in-service withdrawal.

To participate in the catch-up program, you should make your election via Employee Express

(<http://www.employeeexpress.gov>). Contribution amounts must be in a whole dollar amount, rather than a percentage. Deductions for catch-up contributions will continue to be removed pre-tax from your basic pay until the annual catch-up limit is met, the calendar year ends, or you choose to stop the contributions. Because the annual limit changes each year, you must make a new election each year. Separate investments allocations cannot be made for catch-up contributions, your catch-up contributions will be invested in the same manner as your regular TSP contributions.

Catch-up contributions are not subject to open season rules, and you may make more than one election, at any time, during the year. Initial elections cannot become effective before August 10, 2003. Subsequent elections will become effective no later than the first full pay period after the election is made. Catch-up contributions will terminate if you elect to stop making contributions, stop your regular contributions to TSP, receive a financial hardship in-service withdrawal, or on the last pay day of the year in which the

election applies.

Additional information on TSP or the catch-up program can be found on their website at <http://www.tsp.gov>, or by contacting your Servicing Human Resources Office.

Note to Supervisors:

Please ensure employees without access to e-mail receive a paper copy of this message.

Our mission is, working with others, to conserve, protect and enhance fish, wildlife, and plants and their habitats for the continuing benefit of the American people.